



City of Aurora, Colorado

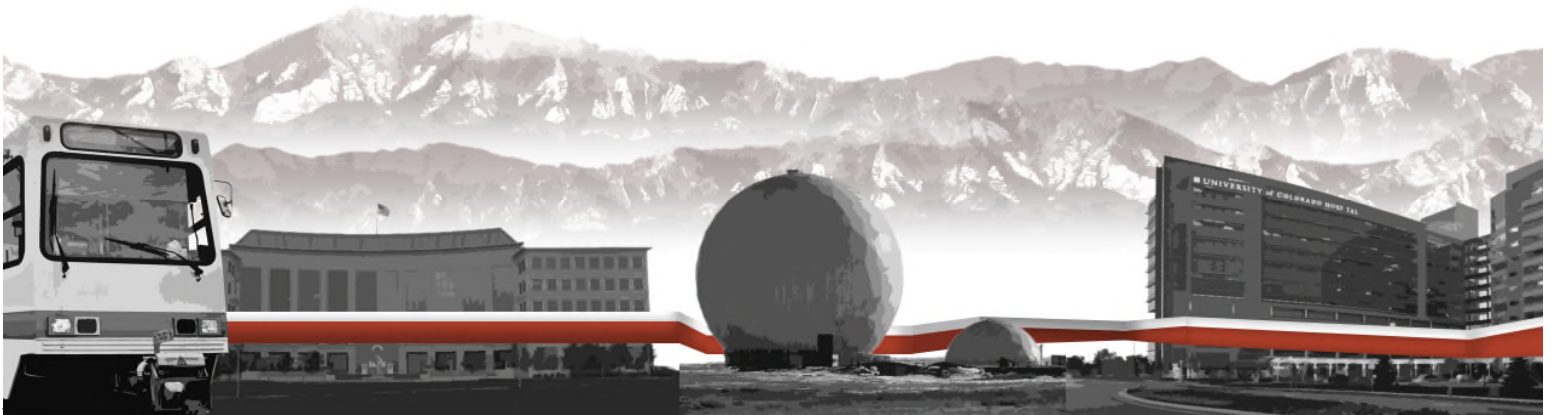


**2016**

**FINANCIAL PERFORMANCE  
REPORT**

For Quarter Ending September 30, 2016

Report released October 21, 2016



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# Economic Update

Throughout the economic recovery the United States has been a key driver of growth worldwide but recently the U.S. economy has lost momentum. Economic indicators are mixed,

## Local Economic Indicators

Current Mo Data/ % Chg to Prior Mo		Year-to-Date Avg % Change	
AURORA BUILDING PERMITS			
New housing and commercial permits			
	<b>130</b> (Sep) + 13.0%	<b>+ 25.7%</b>	
Misc. (existing structure) permit valuation			
	<b>\$25.7M</b> (Sep) + 21.4%	<b>- 30.5%</b>	
CONSUMER CONFIDENCE INDEX (CCI) MOUNTAIN REGION			
	<b>106.0</b> (Sep) - 3.9%	<b>- 9.3%</b>	
LEEDS BUSINESS CONFIDENCE INDEX CO (values above 50 indicate expansion)			
	<b>Q4</b> <b>2016</b> 53.0	<b>Q3</b> <b>2016</b> 54.6	<b>Q4</b> <b>2015</b> 53.5
<b>3.5%</b> (Aug)	<b>AURORA UNEMPLOYMENT RATE</b>	<b>- 19.3%</b>	

Note: All indicator data is most current available.

<b>MARIJUANA SALES TAX REVENUE*</b>		
# stores/ cultiv. open	September	2016 YTD
<b>18/4</b> (Aug)	<b>\$608,538</b>	<b>\$4.4M</b>

\*Includes City of Aurora sales and excise taxes and state sales tax shareback.

with the national unemployment rate at an eight year low, which typically supports growth in consumer spending, while headwinds brought on by weak global growth and the downturn in the oil industry continue to dampen exports and business investments. Early third quarter estimates are pointing to a moderation in consumer spending and diminishing expectations for a rebound in the second half of the year.

Colorado's economy has remained fairly resilient to developments nationwide. Full employment and above national average personal income growth have supported a continuously healthy expansion. The state unemployment rate is among the lowest in the U.S, which has presented a challenge to many businesses in finding qualified personnel. The construction sector has seen the largest increase for employment gains year-to-date, reflecting the state's booming housing market. Despite strong employment figures, both state and Aurora sales tax collections appear to remain below their potential. In addition to heightened political uncertainties and decreasing consumer confidence, rising housing costs may also have contributed to reduced consumer spending on taxable products.

Colorado's business community remains optimistic towards the remainder of 2016 and 2017, though uncertainties associated with the presidential election and a worker shortage have caused yet another decline in expectations from last quarter. Consumer confidence in the mountain region decreased by 9.3 percent over-the-year, reflecting slower economic growth. Nonetheless, the consumer confidence index remains at healthy levels as consumers appear to remain cautiously optimistic.

New apartment and single family housing construction has boosted capital-related use tax revenue through the third quarter of 2016, offsetting the anticipated decline in revenue from permits issued for existing structure improvements. In 2015 there was a surge in demand for roofing permits due to the 2014 hailstorms that has not recurred in 2016.

Marijuana sales and excise tax revenues are tracking closely to projection, reaching \$4.4 million through the third quarter of 2016 with 18 stores and four cultivation facilities in operation. Although average prices in Colorado have fallen significantly due to increasing competition, growing demand has kept City marijuana sales tax revenue stable.

# General Fund

## Revenue (Sources of Funds)

The mid-year revenue projection includes an additional \$2.0 million in collections compared to the 2016 budget. This increase is driven primarily by stronger than budgeted auto and capital-related use tax results, offset in part by lower revenue results from sales tax, franchise fees and taxes, and fines and forfeitures. Revenue performance for the remainder of the year will be compared to the projection.

Sales tax collections through September 2016 are \$5.1 million (4.2 percent) higher than during the same period in 2015, slightly exceeding projection by \$410,400 (0.3 percent). Following anemic growth in the first half of 2016, sales tax revenue has begun to demonstrate moderate year-over-year increases in the third quarter of the year as shown on the sales tax graph below. However, these growth rates are somewhat misleading, as the City began collecting sales tax revenue from online retailer Amazon in March 2016. As the top taxpayers by industry category table shows, decreased utility collections have continued to hamper year-to-date growth. Despite recent improvements, energy prices have yet to recover from their 2015 decline.

Franchise fees and taxes exceed projection by \$106,600 (1.2 percent). Though energy prices have remained low, a hot and dry summer has caused an increase in electricity usage. In addition, cable TV franchise fees have seen a significant year-to-date increase, potentially the result of improved income conditions.

The projected impact of low oil prices on severance tax and federal mineral lease revenue has proven to be slightly conservative. Stronger collections in these categories have helped push other intergovernmental revenue \$113,900 (4.7 percent) over projection. In addition, wildfire reimbursements of \$60,000 were not projected.

Capital-related use tax revenue is falling behind projection by \$415,700 (2.4 percent), resulting in a lower than projected year-to-date transfer to the Capital Projects Fund. While

strong demand for both single and multi-family housing projects has continued through the third quarter, equipment use tax revenue has seen significant year-over-year declines as the current expansion matures and economic uncertainty heightens. This is in line with slowing business investments nationwide.

## 2016 Revenue Performance by Type

Revenue Category (\$ in thousands)	2016 YTD Projection	Actuals (Under)/ Over Projection	
		\$	%
General Sales Tax	\$127,631.7	\$410.4	0.3%
Capital Related Use Tax	17,412.1	(415.7)	(2.4%)
Auto Use Tax	14,245.6	(85.3)	(0.6%)
Franchise Fees and Taxes	8,724.0	106.6	1.2%
Fines & Forfeitures	3,604.4	(39.0)	(1.1%)
Highway User's Fees & Taxes	7,665.2	(3.4)	(0.0%)
Audit Revenue	1,993.2	(225.3)	(11.3%)
All Other Gen Fund Revenue	61,925.7	671.8	1.1%
<b>Total Revenue (including marijuana)</b>	<b>\$243,201.9</b>	<b>\$420.0</b>	<b>0.2%</b>
Less Capital Transfer	22,592.9	(372.2)	(1.6%)
Less Marijuana Sales and Excise Taxes	4,158.5	288.0	6.9%
<b>Operating Revenue</b>	<b>\$216,450.5</b>	<b>\$504.2</b>	<b>0.2%</b>

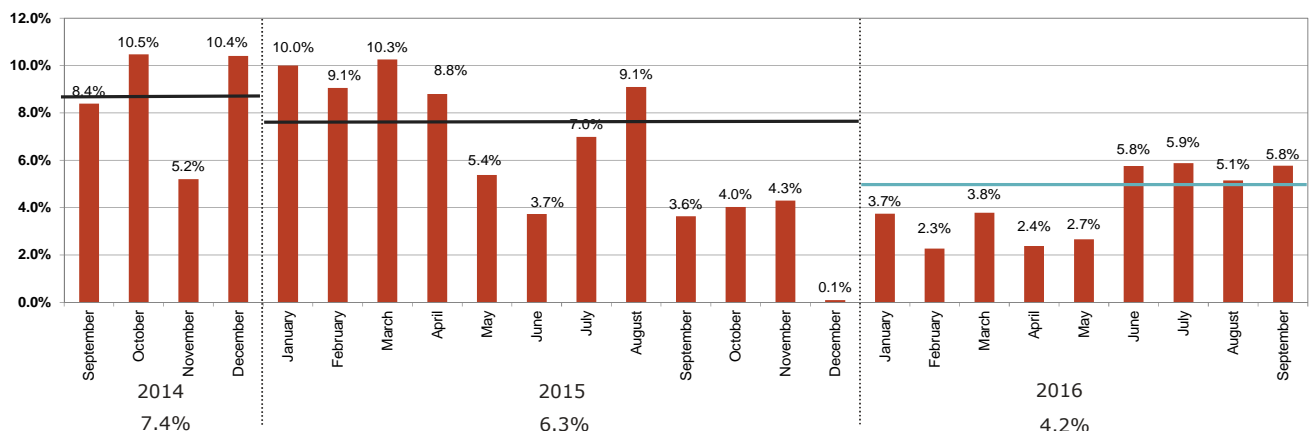
## Top Taxpayers by Industry Category

Industry Category (\$ in thousands)	2016 YTD Sep	2015 YTD Sep	\$ Variance	% Change
Eating & Drinking Places	\$18,139.7	\$17,385.6	\$754.0	4.3%
Discount Stores	15,331.9	15,006.9	325.0	2.2%
Building Materials	8,368.1	7,824.8	543.3	6.9%
Utilities	8,137.8	8,538.3	(400.6)	(4.7%)
Telecommunication/Cellular	7,673.5	7,855.4	(181.8)	(2.3%)
Auto Dealers and Parts	6,743.1	6,615.3	127.9	1.9%
Department Stores	3,737.2	3,798.2	(61.0)	(1.6%)
Beer, Wine, and Liquor Stores	3,501.8	3,241.7	260.1	8.0%
Grocery Stores	3,160.5	3,026.7	133.8	4.4%
Clothing and Clothing Accessories	3,135.1	2,993.4	141.8	4.7%
Sport Goods, Hobby, Books, Music	2,245.2	2,053.3	191.9	9.3%
Electronics/Computers	2,233.6	1,970.2	263.4	13.4%
Furniture and Home Furnishings	1,622.5	1,574.6	47.9	3.0%
Other Top Taxpayers	7,413.7	6,784.7	629.0	9.3%
<b>TOTAL TOP TAXPAYERS (excl. marij.)</b>	<b>\$91,443.7</b>	<b>\$88,669.0</b>	<b>\$2,774.7</b>	<b>3.1%</b>
Total of All Other Taxpayers	38,601.9	36,204.2	2,397.7	6.6%
Less Sales Tax Incentives	2,003.5	1,973.4	30.1	1.5%
<b>TOTAL SALES TAX (excl. m)</b>	<b>\$128,042.1</b>	<b>\$122,899.8</b>	<b>\$5,142.2</b>	<b>4.2%</b>
Marijuana Stores (5.75% sales tax)	3,242.8	1,415.4	1,827.3	129.1%
<b>TOTAL REPORTED SALES TAX</b>	<b>\$131,284.9</b>	<b>\$124,315.3</b>	<b>\$6,969.6</b>	<b>5.6%</b>

## Sales Tax

Percent Change from Same Month in Prior Year (3.9% growth required to hit 2016 projection)

Note: This chart excludes marijuana sales tax revenue





# General Fund

## Expenditures (Uses of Funds)

The mid-year expenditure projection for 2016 is \$10.5 million higher than the 2016 budget. The variance is driven by an \$11.5 million increase in transfers out to other funds. This includes an \$8.5 million transfer from the General Fund to AURA related to the redevelopment of Regatta Plaza. In addition, stronger than budgeted construction growth in the City has allowed for a transfer increase to the Capital Projects Fund. The increase in fund uses is only partially offset by the projected increase in revenue collections and results in a decrease in funds available for the fund.

General Fund operating expenditures through the third quarter of 2016 are \$248,400 (0.1 percent) under the year-to-date projection. The 2016 Expenditure Performance chart shows the year-to-date projection and how actual expenditures and transfers compare to the plan through the third quarter of the year.

Personnel-related expenditures are tracking closely to budget. A closer look reveals employee salary and benefits have generated \$528,300 in year-to-date savings, driven by 78.7 vacant career service positions. The unusually high number of vacancies has helped offset overages in overtime, special pay, and temporary compensation.

Utility costs through the third quarter of 2016 are slightly under projection by \$94,600. The 2016 utility projection takes into account budget savings stemming from consistently low energy prices and a wetter than average spring resulting in decreased water usage by the Parks, Recreation and Open Space Department. Additional savings in the energy and water/sewer categories are offset in part by higher expenses for street light maintenance.

The transfer out of capital-related revenue is under budget by \$372,200 due to lower than projected construction-related revenues. This results in a zero-dollar bottom line impact to the fund.

Variances in the other categories, such as operating supplies and debt/equipment purchases, are likely timing related. Currently there is no indication of specific savings or issues that would cause these variances to flow through to year end results.

## 2016 Expenditure Performance

Expenditure Category (\$ in thousands)	2016 YTD Proj	Actuals Under/ (Over) Proj	
		\$	%
Personal Services	\$143,153.5	\$97.9	0.1%
Temp Compensation	1,903.9	(51.4)	(2.7%)
Professional/Technical	8,988.6	(2.9)	(0.0%)
Operating Supplies	14,101.1	23.5	0.2%
Utilities	7,676.9	94.6	1.2%
Fleet/Risk Interfund	10,339.0	(0.8)	(0.0%)
Debt/Equip Purchases	3,251.2	87.6	2.7%
Total Operating Exp.	\$189,414.2	\$248.4	0.1%
Capital Rev Transfer	22,592.9	372.2	1.6%
Other Transfers Out	3,831.1	0.0	0.0%
<b>Total Uses of Funds</b>	<b>\$212,007.0</b>	<b>\$620.6</b>	<b>0.3%</b>

## Q3 2016 Personnel Expenditures

Personnel Category (\$ in thousands)	YTD Sep Proj	YTD Sep Actuals	Actuals Under/(Over) Budget
Regular Employee Salary & Benefits	\$137,328.9	\$136,800.6	\$528.3
Special Pay	2,450.0	2,486.4	(36.4)
Overtime Compensation	3,374.6	3,768.6	(394.0)
Temporary Compensation	1,903.9	1,955.4	(51.4)
<b>Total Salary &amp; Other Compensation</b>	<b>\$145,057.4</b>	<b>\$145,011.0</b>	<b>\$46.4</b>

Vacancies	Q1	Q2	Q3
Total Career Service	89.2 FTE	91.7 FTE	78.7 FTE

## 2016 Citywide Utilities

Utility (\$ in thousands)	YTD Sep Proj	YTD Sep Actuals	Actuals Under/ (Over) Proj.
Electricity	\$1,105.8	\$1,073.9	\$31.9
Natural Gas	164.8	161.0	3.7
Non-Routine Maint	625.4	585.8	39.6
Street Lights-XCEL	2,890.0	2,930.4	(40.4)
Traffic Lights, Signs	71.2	69.7	1.5
Water/Sewer	2,796.1	2,737.9	58.2
Other Utilities	23.6	23.6	0.0
<b>Total Sep YTD</b>	<b>\$7,676.9</b>	<b>\$7,582.3</b>	<b>\$94.6</b>

# General Fund

The General Fund is the operating fund for Aurora. It accounts for receipts, appropriations, and expenditures unless separate fund reporting is required. For an overview of the General Fund budget, including a breakdown of uses and departments, see page 15.

Revenues (Sources of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Over/(Under)				Sep 2016 Actual	Sep Variance Over/(Under)	
				2015	2016 Projection	% Chg vs 2015	% Chg vs Proj		2015	2016 Projection
Sales Tax - General	\$169,358,647	\$168,029,567	\$128,042,088	\$5,142,249	\$410,372	4.2%	0.3%	14,277,094	777,937	\$246,737
Use Tax - Capital Related	21,323,365	23,385,360	16,996,433	357,025	(415,671)	2.1%	(2.4%)	1,838,449	26,450	87,560
Use Tax - Automobile	16,711,120	18,986,120	14,160,258	590,233	(85,339)	4.3%	(0.6%)	1,769,523	(244,929)	35,210
Property Tax	30,012,306	30,632,749	30,460,712	5,184,743	0	20.5%	0.0%	110,346	8,422	0
Franchise Fees & Taxes	14,889,231	13,772,389	8,830,570	(139,356)	106,559	(1.6%)	1.2%	1,002,741	150,935	122,750
Highway User's Fees & Taxes	11,196,813	11,576,653	7,661,716	272,921	(3,441)	3.7%	(0.0%)	1,115,824	64,764	73,159
Other Auto Related (SOT, MV Fees)	3,305,434	3,325,622	2,360,198	251,893	52,045	11.9%	2.3%	308,489	42,620	44,463
Audit Revenue	2,645,262	2,645,262	1,767,889	(1,177,677)	(225,308)	(40.0%)	(11.3%)	111,701	(49,085)	(105,656)
Other Taxes	12,116,455	12,638,475	9,342,942	399,372	135,462	4.5%	1.5%	1,092,527	42,802	53,303
Other Intergovernmental Fees & Taxes	3,188,501	2,924,646	2,547,837	(37,452)	113,890	(1.4%)	4.7%	424,892	(70,747)	111,540
Business Licenses & Other Permits	2,765,685	2,829,328	1,902,918	187,248	(96,465)	10.9%	(4.8%)	351,129	94,310	(83,696)
Fines & Forfeitures	6,192,333	4,859,531	3,565,456	(903,752)	(38,984)	(20.2%)	(1.1%)	391,779	(91,376)	(30,500)
Internal Charges for Services	6,136,830	6,072,889	4,426,894	368,315	46,514	9.1%	1.1%	508,548	62,696	8,245
External Charges for Services	6,766,509	6,434,666	5,024,720	522,947	(1,704)	11.6%	(0.0%)	454,817	(490)	(50,542)
Other General Fund Revenue	1,957,978	2,419,113	2,084,824	17,159	134,130	0.8%	6.9%	187,165	39,633	78,049
<b>Total General Fund Revenue</b>	<b>\$308,566,469</b>	<b>\$310,532,370</b>	<b>\$239,175,453</b>	<b>\$11,035,867</b>	<b>\$132,060</b>	<b>4.8%</b>	<b>0.1%</b>	<b>\$23,945,025</b>	<b>\$853,940</b>	<b>\$590,624</b>
Marijuana Sales and Excise Taxes	5,555,553	5,555,553	4,446,457	2,658,681	287,951	148.7%	6.9%	608,538	286,007	143,934
Transfers In from Other Funds	1,667,007	1,667,007	331,588	331,588	0	n/a	0.0%	0	0	0
<b>Total Sources of Funds</b>	<b>\$315,789,029</b>	<b>\$317,754,930</b>	<b>\$243,953,498</b>	<b>\$14,026,136</b>	<b>\$420,011</b>	<b>6.1%</b>	<b>0.2%</b>	<b>\$24,553,563</b>	<b>\$1,139,947</b>	<b>\$734,558</b>
<b>General Fund Operating Revenue <sup>1</sup></b>	<b>\$280,459,499</b>	<b>\$280,497,155</b>	<b>\$216,954,775</b>	<b>\$9,385,995</b>	<b>\$504,238</b>	<b>4.5%</b>	<b>0.2%</b>			

Expenditures (Uses of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Uses Under/(Over)			
				2015	2016 Projection	% Chg vs 2015	% Chg vs Proj
Personal Services	\$195,804,068	\$193,507,254	\$143,055,596	(\$8,149,023)	\$97,888	(6.0%)	0.1%
Temporary Compensation	\$2,116,869	2,752,031	1,955,364	(42,632)	(51,449)	(2.2%)	(2.7%)
Professional & Technical Services	13,203,803	14,189,370	8,991,482	(1,781,527)	(2,920)	(24.7%)	(0.0%)
Operating Supplies/Other	19,660,907	20,922,664	14,109,731	(937,646)	23,481	(7.1%)	0.2%
Utilities	12,263,637	10,838,190	7,582,314	(667,544)	94,586	(9.7%)	1.2%
Interfund Charges	13,785,952	13,831,610	10,339,740	(196,968)	(762)	(1.9%)	(0.0%)
Debt/Capital Related	6,534,388	6,315,314	3,131,530	(685,165)	87,606	(28.0%)	2.7%
<b>General Fund Operating Expenditures</b>	<b>\$263,369,624</b>	<b>\$262,356,433</b>	<b>\$189,165,757</b>	<b>(\$12,460,505)</b>	<b>\$248,430</b>	<b>(7.1%)</b>	<b>0.1%</b>
Capital Related Revenue Transfer Out <sup>2</sup>	28,106,970	30,035,215	22,220,678	(1,649,872)	372,178	(8.0%)	1.6%
All Other Transfers Out to Other Funds	39,014,384	48,568,651	3,831,081	(551,766)	0	(16.8%)	0.0%
<b>Total Uses of Funds</b>	<b>\$330,490,978</b>	<b>\$340,960,299</b>	<b>\$215,217,516</b>	<b>(\$14,662,143)</b>	<b>\$620,608</b>	<b>(7.3%)</b>	<b>0.3%</b>
Less Carryforward Budget	(3,430,357)	(3,430,357)					
<b>Incr/(Use) of Available Funds<sup>3</sup></b>	<b>(\$11,271,592)</b>	<b>(\$19,775,012)</b>					

See page 16 for glossary and detailed data description for each column.

- Operating revenue excludes Marijuana sales and excise tax, transfers into the General Fund from other funds and accounts for the transfer out of construction related use tax to the Capital Projects Fund (CPF).
- The transfer to the CPF is calculated in December and transferred out of the General Fund. For the purposes of this report, an effective transfer using current revenue collections has been calculated and included as an actual.
- The 2016 Adopted Budget includes the planned use of \$8.7 million in funds available primarily associated with the one-time expenditures for road improvements. An additional \$2.6 million use of funds available was added in the 2016 Spring Supplemental, the majority of which can be attributed to Police security enhancements at district stations and the re-appropriation of funds for surveillance equipment upgrades in the Detention Center and the Tax and Licensing system replacement.

# Water/Wastewater Funds

## Revenue (Sources of Funds)

Third Quarter revenue in the combined Water/Wastewater Fund is \$31.8 million (4.7 percent) over the year-to-date revenue projection. Water Fund revenue is \$31.4 million (5.0 percent) ahead of the year-to-date projection while Wastewater Fund revenue is \$402,800 (0.8 percent) ahead of the year-to-date revenue plan. The minimal year-to-date shortfall in Utility Sales - ECCV to projection is being offset by surpluses in most other revenue streams. Specifically, strong development in the City has resulted in robust revenue growth in development fees and a dry summer has led to robust revenue growth in utility sales for water. In the third quarter, the Water Fund refinanced nearly all of its outstanding debt for a savings of \$68.6 million (12.9 percent) over the 30-year life of the bond. The bond refinancing increased proceeds from borrowing \$517.8 million.

Excluding one-time revenue events such as the proceeds from borrowing, utility sales account for 82.5 percent of all Water and Wastewater Fund revenue. Because most of the water utility revenue is received in the summer, a dry or wet summer can greatly affect revenue. The third quarter was drier and hotter than previous years and thus, revenues are above average.

## Uses of Funds

Total expenses (operating and capital) through the third quarter are \$87.7 million (11.3 percent) under the 2016 projections

## Revenue Variance Breakdown

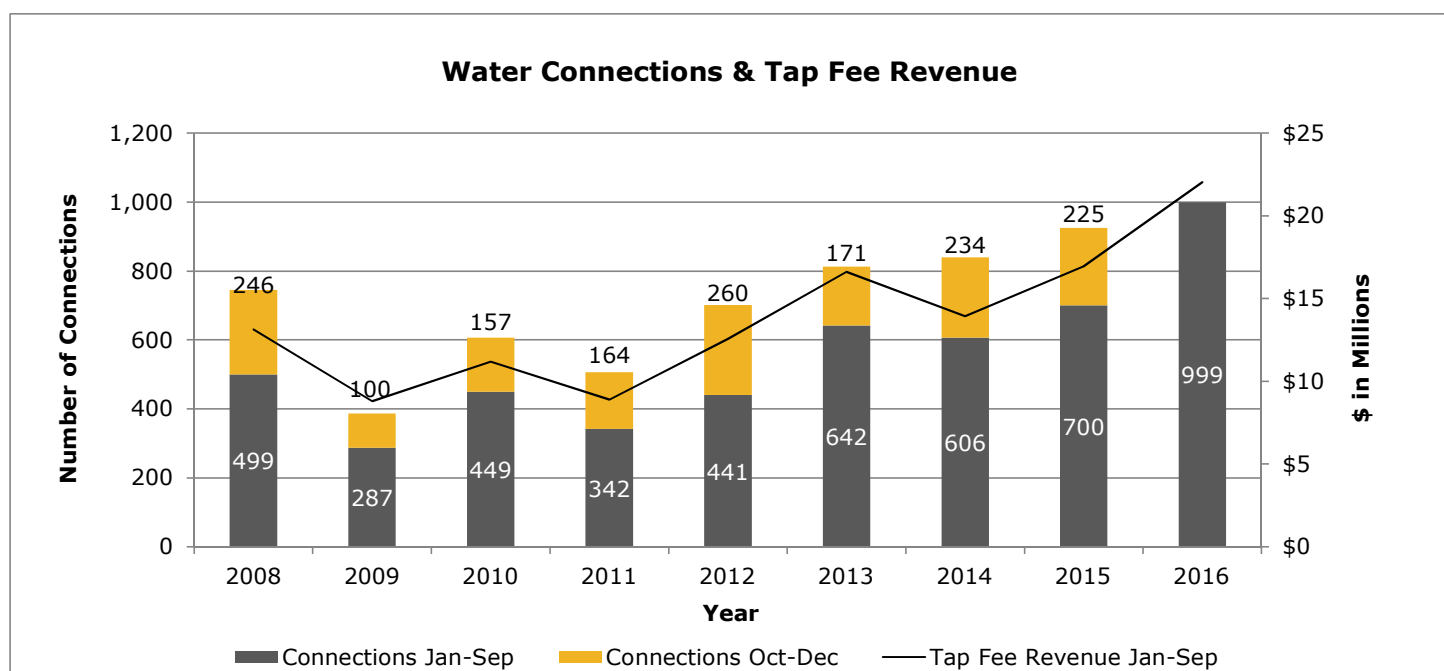
Q3 2016 Water and Wastewater Funds

Revenue Type	Water	Wastewater	Combined
Utility Sales - Water	\$4,653,871	\$0	\$4,653,871
Utility Sales - WW	0	183,340	183,340
Utility Sales - ECCV	0	(190,114)	(190,114)
Development Fees	3,665,128	40,911	3,706,039
External Charges for Services	209,374	0	209,374
Investment Income	81,591	56,074	137,666
Other Revenue	134,377	246,395	380,772
<b>Total Revenue</b>	<b>\$8,744,340</b>	<b>\$336,606</b>	<b>\$9,080,947</b>

mainly due to the timing of capital spending discussed below. Total expenses (operating and capital) are \$486.4 million (239.0 percent) over the 2015 actual expenses mainly due to the payments to escrow agent for the refunding of outstanding Water Fund debt in 2016.

## Operating Expenses

Operating expenses through the third quarter in the combined Water/Wastewater Fund compared to the 2016 projections are on target. Debt related expenses are \$513.5 million (857.7 percent) over the 2015 debt related expenses due to the issuance of the Water Revenue Refunding Bonds and subsequent pay-off of existing Water debt in August of 2016 as noted in the revenue narrative.



# Water/Wastewater Funds

## Capital Budget and Expenses

Capital project expenses are currently \$87.6 million (68.7 percent) behind the year-to-date spending plan. Although capital funds are obligated in the year budgeted, actual spending can occur in following years. To track actual capital spending, Aurora Water creates a spending plan for each quarter. The table below outlines the current year capital budget by program, which includes funds budgeted in prior years but not spent (carryforwards). The 2016 spending plan assumes that \$151.5 million of the appropriated \$180.9 million will be spent by year-end. Of the anticipated \$151.5 million spending, \$127.6 million (84.2 percent) was planned to be spent through the third quarter.

The spending variance noted above is predominately due to a pending acquisition for East Reservoir in Source of Supply (SOS) Storage, which has not occurred but was factored into the year-to-date spending plan. Another significant variance appears in the SOS Water program, which has spent \$2.5 million of the \$7.0 million year-to-date plan, largely related to timing of Water Rights Acquisitions. In the Wastewater Fund,

the collections program is under due to the timing of interceptor rehabilitation and annual sewer rehabilitation projects. Stormwater program is under projection primarily due to the acceleration of the Alameda Avenue Storm Crossing into 2015 funding, as well as timing changes for Easterly Creek Outfall improvements. Staff anticipates that the capital spending will continue to increase through the remainder of 2016 and that the Funds will approach the capital spending plan projections by year-end.

## Capital Projects Status

### Water and Wastewater Funds

Program	2016 Working Budget	2016 Spending Plan	YTD Spending Plan	*YTD Spending	Under/ (Over) Plan	Encumbered Funds
<b>WATER FUND</b>						
Operations & General Mgmt	\$2,358,898	\$1,511,292	\$1,230,943	\$674,240	\$556,703	\$1,128,926
Pumping	7,373,367	3,825,000	2,515,000	587,527	1,927,473	565,846
SOS Other	10,546,441	5,861,000	2,731,000	637,752	2,093,248	3,672,672
SOS Storage	55,917,215	74,998,690	67,857,690	7,814,750	60,042,940	887,951
SOS Water	9,207,187	9,381,011	7,041,276	2,534,204	4,507,072	1,339,683
Trans & Distrib	12,835,195	6,565,730	4,221,543	1,249,778	2,971,765	1,234,947
Treatment	19,475,571	16,906,421	13,816,421	10,095,530	3,720,891	5,994,363
<b>Total Water Fund</b>	<b>\$117,713,874</b>	<b>\$119,049,144</b>	<b>\$99,413,873</b>	<b>\$23,593,780</b>	<b>\$75,820,093</b>	<b>\$14,824,388</b>
<b>WASTEWATER FUND</b>						
Collection	\$14,984,148	\$11,929,750	\$9,887,250	\$3,429,985	\$6,457,265	\$5,833,308
Operations & General Mgmt	9,009,872	3,069,271	1,896,440	812,303	1,084,137	3,362,796
Storm Water	39,220,112	17,498,708	16,363,708	12,087,629	4,276,079	6,273,591
<b>Total Wastewater Fund</b>	<b>\$63,214,132</b>	<b>\$32,497,729</b>	<b>\$28,147,398</b>	<b>\$16,329,916</b>	<b>\$11,817,482</b>	<b>\$15,469,695</b>
<b>Totals</b>	<b>\$180,928,006</b>	<b>\$151,546,873</b>	<b>\$127,561,271</b>	<b>\$39,923,697</b>	<b>\$87,637,574</b>	<b>\$30,294,082</b>

\*Year-to-date spending does not include encumbrances.



# Water/Wastewater Funds

The Aurora Water Department administers the Water and Wastewater funds, which are supported primarily from user fees and development fees. Aurora Water operates as a cost of service utility (or enterprise), which means that revenues must fully cover the cost of providing water, sanitary sewer, and storm water services to its customers.

Revenues (Sources of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Over / (Under)			
				2015	2016 Projection	% Chg vs 2015	% Chg vs. Proj.
Utility Sales - Water	\$104,080,588	\$101,932,394	\$83,727,340	\$5,914,535	\$4,653,871	7.6%	5.9%
Utility Sales - Wastewater	53,906,570	53,814,529	40,571,420	2,832,648	183,340	7.5%	0.5%
Utility Sales - ECCV	6,063,262	6,063,275	4,417,227	483,307	(190,114)	12.3%	(4.1%)
Development Fees	28,932,890	28,824,182	26,198,090	6,153,468	3,706,039	30.7%	16.5%
Charges for Services	902,414	1,444,897	1,378,935	(509,916)	209,374	(27.0%)	17.9%
Investment Income	3,913,216	3,339,199	2,864,009	(210,040)	137,666	(6.8%)	5.0%
Other Revenue	1,155,946	1,193,452	834,030	(2,832,620)	200,593	(77.3%)	31.7%
Proceeds from Borrowing	0	517,847,922	517,847,922	517,847,922	0	N/A	0.0%
Funds from Restricted Assets	0	37,835,352	38,076,553	38,076,553	22,942,411	N/A	N/A
<b>Total Sources of Funds</b>	<b>\$198,954,886</b>	<b>\$752,295,202</b>	<b>\$715,915,525</b>	<b>\$567,755,857</b>	<b>\$31,843,179</b>	<b>383.2%</b>	<b>4.7%</b>

Expenditures (includes encumbrances) (Uses of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Under / (Over)			
				2015	2016 Projection	% Chg vs 2015	% Chg vs. Proj.
Personal Services	\$34,064,050	\$34,321,047	\$27,459,152	(\$2,694,599)	(\$839,520)	(10.9%)	(3.2%)
Temporary Compensation	1,094,004	872,580	719,533	(60,414)	(47,430)	(9.2%)	(7.1%)
Professional & Technical Services	8,573,086	7,652,106	4,085,713	(256,795)	596,977	(6.7%)	12.7%
Operating Supplies/Other	24,668,510	22,659,865	14,837,790	(1,623,096)	661,381	(12.3%)	4.3%
Utilities	34,983,353	34,706,610	24,978,600	(1,039,270)	(904,380)	(4.3%)	(3.8%)
Interfund Charges	2,700,798	2,735,428	2,002,173	86,849	45,304	4.2%	2.2%
Debt Related	29,068,128	580,060,367	573,347,917	(513,482,845)	1	(857.7%)	0.0%
Capital Related	5,567,746	4,393,138	2,555,221	41,603	512,446	1.6%	16.7%
<b>Total Water/Wastewater Operating Expenditures</b>	<b>\$140,719,675</b>	<b>\$687,401,141</b>	<b>\$649,986,099</b>	<b>(\$519,028,566)</b>	<b>\$24,779</b>	<b>(396.3%)</b>	<b>0.0%</b>
Capital Projects*	180,928,006	171,537,074	39,923,697	32,647,775	87,637,574	45.0%	68.7%
<b>Total Uses of Funds</b>	<b>\$321,647,681</b>	<b>\$858,938,215</b>	<b>\$689,909,795</b>	<b>(\$486,380,790)</b>	<b>\$87,662,353</b>	<b>(239.0%)</b>	<b>11.3%</b>

Less Carryforward Budget	(85,428,296)	(85,428,296)
<b>Increase/(Use) of Total Available Funds</b>	<b>(\$37,264,499)</b>	<b>(\$21,214,717)</b>

See Page 16 for Glossary and detailed data description for each column

1. The 2016 budgeted funds available use of \$37.3 million is primarily due to capital projects spending using existing cash balances in the Water Fund and Wastewater Fund. The 2016 projection assumes \$16.0 million less funds available use, resulting primarily from lower-than budgeted capital spending and a decrease in debt service interest spending resulting from the refinancing of existing Water debt.

# Development Review Fund

The Development Review Fund (DRF) is dependent on construction and development activity. Revenues and expenditures fluctuate depending on the level of development activity in the City and the resulting changes in plan review and inspection activity.

Revenues (Sources of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Over/(Under)			
				2015	2016 Projection	% Chg vs 2015	% Chg vs Proj.
Contractor Licensing	\$600,399	\$720,406	\$495,447	(\$2,732)	(\$44,957)	(0.5%)	(8.3%)
Permits	13,348,499	11,337,860	7,665,679	(999,481)	(539,442)	(11.5%)	(6.6%)
Application and Admin Fees	2,670,059	2,506,949	1,791,860	45,794	(88,697)	2.6%	(4.7%)
Interest	70,001	132,000	105,724	25,973	6,706	32.6%	6.8%
Other Revenue	28,562	53,524	42,977	(21,411)	2,827	(33.3%)	7.0%
Gaylord Permit and App Revenue	0	1,200,000	1,200,000	1,200,000	0	100.0%	0.0%
<b>Total Revenue</b>	<b>\$16,717,520</b>	<b>\$15,950,739</b>	<b>\$11,301,686</b>	<b>\$248,143</b>	<b>(\$663,564)</b>	<b>2.2%</b>	<b>(4.2%)</b>
Transfers In from Other Funds	0	0	0	0	0	0.0%	N/A
<b>Total Sources of Funds</b>	<b>\$16,717,520</b>	<b>\$15,950,739</b>	<b>\$11,301,686</b>	<b>\$248,143</b>	<b>(\$663,564)</b>	<b>2.2%</b>	<b>(4.2%)</b>

Expenditures (Uses of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Uses Under/(Over)			
				2015	2016 Projection	% Chg vs 2015	% Chg vs Proj.
Personal Services	\$9,313,538	\$9,372,404	\$6,842,505	(\$1,052,745)	\$82,217	(18.2%)	1.2%
Temporary Compensation	770,218	586,445	378,301	(17,013)	(29,352)	(4.7%)	(8.4%)
Professional & Technical Svcs	3,889,886	3,809,481	600,710	(519,585)	8,619	(640.5%)	1.4%
Operating Supplies/Other	211,595	710,427	519,501	(303,940)	6,877	(141.0%)	1.3%
Interfund Charges	190,949	178,640	132,144	28,578	673	17.8%	0.5%
Capital Related	124,000	136,753	132,678	(69,074)	4,075	(108.6%)	3.0%
<b>Total Operating Expenditures</b>	<b>\$14,500,186</b>	<b>\$14,794,150</b>	<b>\$8,605,838</b>	<b>(\$1,933,780)</b>	<b>\$73,110</b>	<b>(29.0%)</b>	<b>0.5%</b>
Transfers Out to Other Funds	1,335,419	1,335,419	0	0	0	N/A	0.0%
<b>Total Uses of Funds</b>	<b>\$15,835,605</b>	<b>\$16,129,569</b>	<b>\$8,605,838</b>	<b>(\$1,933,780)</b>	<b>\$73,110</b>	<b>(29.0%)</b>	<b>0.5%</b>

Less Carryforward Budget	(15,262)	(15,262)					
<b>Incr/(Use) of Total Avail Funds</b>	<b>\$897,177</b>	<b>(\$163,568)</b>					

See page 16 for glossary and detailed data description for each column.

## Revenue (Sources of Funds)

The largest portion of revenue is from fees collected for permits, development application fees and licensing. Revenue through September is \$663,600 (4.2 percent) less than the year-to-date projection and is \$248,100 (2.2 percent) more than 2015. These figures include the \$1.2 million of permit and application fees for the Gaylord project received in June. With Gaylord revenue aside, permit revenue is down \$539,400 when compared to the year-to-date projection. This is due primarily to the competitive market in construction services softening the number of residential remodeling permits. Staff will continue to monitor the fund revenue to ascertain any long-term impacts of the revenue decrease.

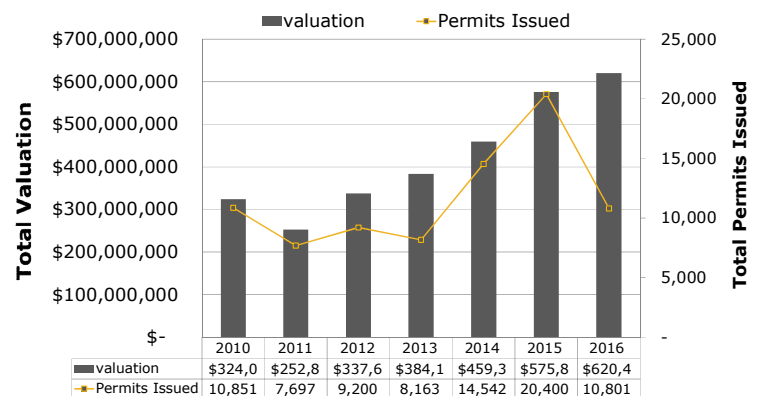
## Expenditures (Uses of Funds)

Total expenditures are slightly under the year-to-date projection by \$73,100 (0.5 percent). Personal Services, including temporary compensation, are currently \$52,900 (0.7 percent)

under the year-to-date projection, primarily associated with vacancy savings in Building Services. All other expenditures are also slightly under the year-to-date projection.

## Project Valuations and Permits Issued

Third Quarter, 2010-2016



# Cultural Services Fund

The Cultural Services Fund accounts for cultural-related services provided to citizens. Funding for these services is provided by fees, donations, General Fund transfers, intergovernmental revenues from the Scientific and Cultural Facilities District (SCFD), and proceeds from the Art in Public Places (AIPP) ordinance. AIPP funds are designated for specific use within the fund.

Revenues (Sources of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Over/(Under)			
				2015	2016 Projection	% Chg vs 2015	% Chg vs Proj.
<b>Cultural and SCFD Programs</b>							
General Admission	\$269,000	\$247,400	\$209,630	(\$6,883)	\$13,823	(3.2%)	7.1%
Restaurant/Concessions	32,000	28,450	20,883	(1,287)	(1,636)	(5.8%)	(7.3%)
Class Fees	364,000	368,196	268,010	(12,925)	(10,025)	(4.6%)	(3.6%)
Rental Fees-Cultural Facilities	61,000	49,287	33,119	12,113	(5,892)	57.7%	(15.1%)
Gifts and Grants	339,000	350,390	340,835	7,875	7,080	2.4%	2.1%
Other Revenue	53,660	64,720	38,135	43,268	(16,150)	(843.0%)	(29.7%)
<b>Cultural and SCFD Revenue</b>	<b>\$1,118,660</b>	<b>\$1,108,443</b>	<b>\$910,613</b>	<b>\$42,161</b>	<b>(\$12,800)</b>	<b>4.9%</b>	<b>(1.4%)</b>
AIPP 1% Project Allocation/Other	503,346	802,448	167,378	77,960	80,621	87.2%	92.9%
General Fund Subsidy	1,143,041	1,143,041	114,002	41,002	0	56.2%	0.0%
<b>Total Sources of Funds</b>	<b>\$2,765,047</b>	<b>\$3,053,932</b>	<b>\$1,191,993</b>	<b>\$161,123</b>	<b>\$67,822</b>	<b>15.6%</b>	<b>6.0%</b>

Expenditures (Uses of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Uses Under/(Over)			
				2015	2016 Projection	% Chg vs 2015	% Chg vs Proj.
<b>Cultural and SCFD Programs</b>							
Personal Services	\$1,072,193	\$950,110	\$627,500	\$58,985	\$50,642	8.6%	7.5%
Temporary Compensation	369,078	324,434	273,261	(80,732)	(35,987)	(41.9%)	(15.2%)
Professional & Technical Services	426,825	433,221	327,611	181,198	5,290	35.6%	1.6%
Operating Supplies/Other	281,480	317,566	233,261	20,018	11,172	7.9%	4.6%
Utilities	63,210	42,360	29,207	7,156	(89)	19.7%	(0.3%)
Interfund Charges	24,255	20,925	16,863	587	(371)	3.4%	(2.2%)
<b>Cultural and SCFD Expenditures</b>	<b>\$2,237,041</b>	<b>\$2,088,616</b>	<b>\$1,507,704</b>	<b>\$187,212</b>	<b>\$30,656</b>	<b>11.0%</b>	<b>2.0%</b>
AIPP Program Expenditures	740,779	810,088	235,026	73,878	208,935	23.9%	47.1%
<b>Total Uses of Funds</b>	<b>\$2,977,820</b>	<b>\$2,898,704</b>	<b>\$1,742,729</b>	<b>\$261,091</b>	<b>\$239,592</b>	<b>13.0%</b>	<b>12.1%</b>

Less Carryforward Budget	0	0
<b>Incr/(Use) of Total Available Funds</b>	<b>(\$212,773)</b>	<b>\$155,228</b>

See page 16 for glossary and detailed data description for each column.

## Revenue (Sources of Funds)

Total year-to-date revenue is tracking ahead of projection. This is primarily due to an \$80,000 payment for the required art piece at The Conservatory, a new residential development. There will be an offsetting payment for the art piece before the end of the year. When excluding AIPP revenue, Cultural and SCFD revenue is \$12,800 behind projection. The demand for production services is below expectations, driving the other revenue category down. The department expects the shortfall to be offset by other sources of revenue before the end of the year.

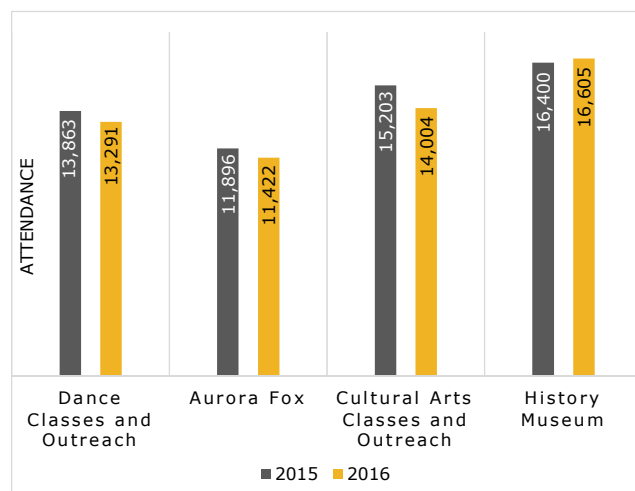
## Expenditures (Uses of Funds)

Expenditures through the third quarter of 2016 are under projection by \$239,600. The AIPP program has generated \$208,900 of the favorable variance, primarily due to timing delays. The net of all other Cultural and SCFD programs is under the projection by \$30,700. With positions remaining vacant for longer than expected, personnel related savings to date are \$50,600. This is partially offset by temporary compensation in excess of projection by \$36,000. This variance is attributed to the higher demand for cultural arts classes, primarily for schools. These additional ex-

penditures are offset by additional revenue. The fund is expected to end the year close to projection which will meet the goal to reduce expenditures to \$160,000 below budget to maintain a small fund balance for Cultural and SCFD programs.

## Cultural Services Attendance

Third Quarter, 2015 vs. 2016



# Recreation Fund

The Recreation Fund, accounts for recreational services provided to citizens. Funding for these services comes from user fees and a General Fund transfer intended to cover mandated costs. Mandated costs include personal service costs, utilities, interfund charges and other required costs such as custodial fees and contractual escalators. The majority of Recreation Fund revenues and expenditures occur in the summer months.

Revenues (Sources of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Over / (Under)			
				2015	2016 Projection	% Chg vs 2015	%Chg vs. Proj.
Aquatics	\$1,135,400	\$1,262,172	\$1,017,586	(\$66,214)	\$36,936	(6.1%)	3.8%
Fitness & General Recreation	311,500	337,541	284,252	40,556	9,965	16.6%	3.6%
Preschool and Youth Programs	916,210	956,716	789,245	242,783	36,006	44.4%	4.8%
Recreation Centers	413,900	462,972	461,671	103,223	129,412	28.8%	38.9%
Recreation Division Management	276,200	122,722	138,502	(22,516)	31,804	(14.0%)	29.8%
Senior Programs	368,300	404,113	170,477	(98,276)	(126,138)	(36.6%)	(42.5%)
Special Programs	376,500	452,922	338,464	53,386	10,507	18.7%	3.2%
Sports Programs	2,007,845	2,064,682	1,772,805	176,025	174,068	11.0%	10.9%
<b>Total Recreation Fund Revenue</b>	<b>\$5,805,855</b>	<b>\$6,063,840</b>	<b>\$4,973,001</b>	<b>\$428,968</b>	<b>\$302,559</b>	<b>9.4%</b>	<b>6.5%</b>
Transfers In from Other Funds	4,577,962	4,577,962	0	0	0	N/A	N/A
<b>Total Sources of Funds</b>	<b>\$10,383,817</b>	<b>\$10,641,802</b>	<b>\$4,973,001</b>	<b>\$428,968</b>	<b>\$302,559</b>	<b>9.4%</b>	<b>6.5%</b>

Expenditures (Uses of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Under / (Over)			
				2015	2016 Projection	% Chg vs 2015	%Chg vs. Proj.
Personal Services	\$4,841,965	\$4,391,854	\$3,215,324	(\$85,345)	\$34,648	(2.7%)	1.1%
Temporary Compensation	2,446,527	2,653,565	2,032,804	39,915	10,441	1.9%	0.5%
Professional & Technical Services	546,200	736,033	618,873	(200,270)	(178,251)	(47.8%)	(40.5%)
Operating Supplies/Other	1,413,193	1,829,805	1,295,442	(97,133)	3,720	(8.1%)	0.3%
Utilities	964,100	779,075	494,045	17,406	49,445	3.4%	9.1%
Interfund Charges	177,604	185,406	122,108	(4,629)	12,697	(3.9%)	9.4%
Capital Related	0	22,277	36,625	(16,233)	(30,430)	(79.6%)	(491.2%)
<b>General Fund Operating Expenditures</b>	<b>\$10,389,589</b>	<b>\$10,598,015</b>	<b>\$7,815,221</b>	<b>(\$346,289)</b>	<b>(\$97,730)</b>	<b>(4.6%)</b>	<b>(1.3%)</b>
Transfers Out to Other Funds	30,000	30,000	0	0	0	N/A	N/A
<b>Total Uses of Funds</b>	<b>\$10,419,589</b>	<b>\$10,628,015</b>	<b>\$7,815,221</b>	<b>(\$346,289)</b>	<b>(\$97,730)</b>	<b>(4.6%)</b>	<b>(1.3%)</b>

Less Carryforward Budget	(30,128)	(30,128)					
<b>Incr/(Use) of Total Available Funds</b>	<b>(\$5,644)</b>	<b>\$43,915</b>					

See page 16 for glossary and detailed data description for each column.

## Revenue (Sources of Funds)

Revenue collections in the Recreation Fund are ahead of the projection by \$302,600 (6.5 percent). Attendance is up for nearly all programs and thus revenues for most categories are above projection. There is a modest decline in attendance for the Aquatics and Senior Programs. Aquatics attendance is down due to the temporary closure of Moorhead Recreation Center for remodeling. The decline in Senior Programs attendance has led to revenues below the projection.

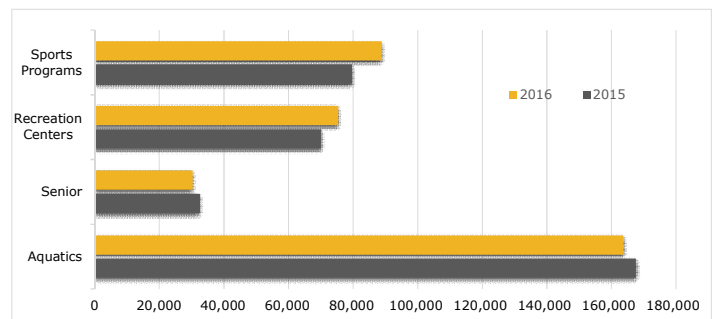
## Expenditures (Uses of Funds)

Total year-to-date expenditures are \$97,700 (1.3 percent) over projection for 2016 due to the cost of expanded offerings to capitalize on increased demand. A supplemental appropriation will be required in the spring to adjust the budget for an estimated \$200,000, which is more than offset by the additional revenue from the expanded programs. Year-to-date, the additional expenditures for expanded programming are most notable in professional and technical services. The Special Events program has also increased its expenditures in professional

and technical services to improve the quality of entertainment at its events. Savings in excess of projection for personal services, and utilities offset the increase in expenses. Lower than expected energy prices account for the savings in utilities.

## Recreation Attendance

Third Quarter, 2015 vs. 2016





# Golf Courses Fund

The Golf Courses Fund was established for the operation and maintenance of City-owned and/or City operated golf courses. The Fund is supported by green fees, driving range fees, and golf cart rentals, as well as pro shop sales and concessions. The majority of Fund revenue is earned from May through September and expenses, primarily temporary compensation, capital improvements, and operating supply expenses are spent in tandem with revenues.

Revenues (Sources of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Over / (Under)			
				2015	2016 Projection	% Chg vs 2015	%Chg vs. Proj.
Revenue from User Fees	\$8,219,348	\$8,147,841	\$6,825,307	(\$303,771)	(\$176,165)	(4.3%)	(2.5%)
Interest Income	42,172	20,000	22,557	(9,305)	5,967	(29.2%)	36.0%
Miscellaneous Revenue	12,000	11,721	25,043	4,566	18,072	22.3%	259.2%
Funds From Restricted Assets	0	0	0	(455,000)	0	(100.0%)	N/A
<b>Total Fund Revenue</b>	<b>\$8,273,520</b>	<b>\$8,179,562</b>	<b>\$6,872,907</b>	<b>(\$308,511)</b>	<b>(\$152,127)</b>	<b>(4.0%)</b>	<b>(2.2%)</b>
Transfers In from Other Funds	150,000	150,000	0	0	0	N/A	N/A
<b>Total Sources of Funds</b>	<b>\$8,423,520</b>	<b>\$8,329,562</b>	<b>\$6,872,907</b>	<b>(\$308,511)</b>	<b>(\$152,127)</b>	<b>(4.0%)</b>	<b>(2.2%)</b>

Expenses (Uses of Funds)	2016 Budget	2016 Projection	YTD Actual thru Q3 2016	2016 Year-to-Date Sources Under / (Over)			
				2015	2016 Projection	% Chg vs 2015	%Chg vs. Proj.
Personal Services	\$2,925,694	\$3,011,246	\$2,228,737	(\$94,946)	\$29,855	(4.4%)	1.3%
Temporary Compensation	1,401,364	1,205,301	1,002,930	22,197	90,134	2.2%	8.2%
Professional & Technical Services	170,936	192,440	148,153	(10,502)	8,969	(7.6%)	5.7%
Operating Supplies/Other	1,701,967	1,694,093	1,382,753	(32,931)	(21,438)	(2.4%)	(1.6%)
Utilities	1,095,304	1,057,825	838,820	(192,362)	45,541	(29.8%)	5.1%
Interfund Charges	206,430	206,280	152,283	(20,434)	3,488	(15.5%)	2.2%
Debt Related	832,750	595,505	0	11,156	0	100.0%	N/A
<b>Total Fund Expenses</b>	<b>\$8,334,445</b>	<b>\$7,962,690</b>	<b>\$5,753,676</b>	<b>(\$317,822)</b>	<b>\$156,550</b>	<b>(5.8%)</b>	<b>2.6%</b>
Capital Projects	947,091	947,091	675,764	130,585	0	23.95%	N/A
<b>Total Uses of Funds</b>	<b>\$9,281,536</b>	<b>\$8,909,781</b>	<b>\$6,429,440</b>	<b>(\$187,237)</b>	<b>\$156,550</b>	<b>(3.1%)</b>	<b>2.6%</b>

Less Carryforward Budget	(626,789)	(626,789)	See page 16 for glossary and detailed data description for each column.				
<b>Incr/(Use) of Total Available Funds</b>	<b>(\$231,227)</b>	<b>\$46,570</b>					

## Revenue (Sources of Funds)

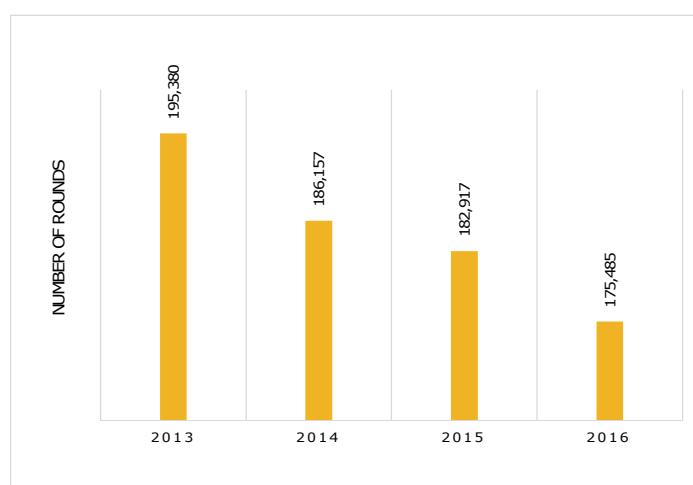
Total year-to-date revenue is \$152,100 (2.2 percent) below the year-to-date projection. The reason for this deficiency is that the number of total rounds played decreased by 7,400 year-to-date (4.0 percent) due to the decline in the number of golf enthusiasts. Albeit small in comparison, miscellaneous revenues are up 18,100 (259.2 percent) due to significant developer contributions which are fees collected from the sales of lots at Murphy Creek.

## Expenses (Uses of Funds)

In response to the decline in popularity of the sport and corresponding loss in revenue, the 2016 mid-year projection includes a \$371,800 reduction in expenses. Year-to-date operating expenses show additional savings with a \$156,500 (2.6 percent) favorable variance to projection. Golf management has had to seek savings, primarily in temporary compensation and personal services. Savings in temporary compensation was aided by the fact that the slow start to the golf season postponed the hiring of seasonal personnel.

## Rounds Played

Third Quarter, 2013-2016





# Appendices

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# General Fund Overview

The General Fund is the operating fund for Aurora. It accounts for receipts, appropriations, and expenditures unless separate fund reporting is required.

## Sources of Funds

Sources of funds include nearly all taxes and other resources traditionally associated with City operations. Revenues and expenditures from the 0.25 percent voter-approved sales tax for police officer staffing mandate are included in this fund. Other sources include transfers in from other funds.

Retail sales remain the backbone of Aurora's General Fund, accounting for 55.0 percent of total revenue. Use tax is a companion tax to sales tax and is associated with purchases of commodities and equipment. Two-thirds of all General Fund revenue is dependent on purchases when use tax revenues (e.g. building materials use tax, automobile use tax, and equipment use tax) are included.

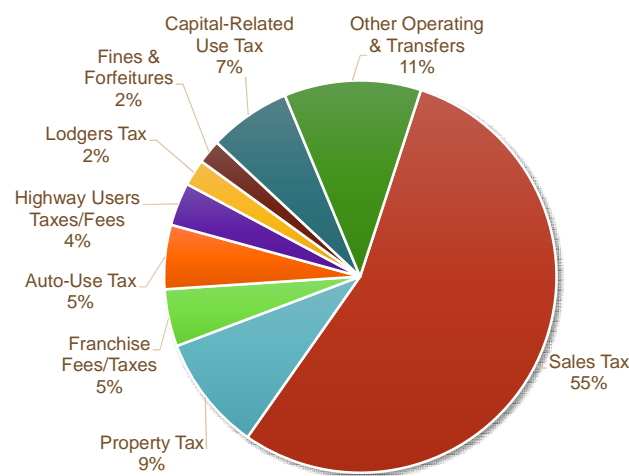
## Uses of Funds

Uses of funds mainly result from expenditures incurred by the departments included in the General Fund. The majority of general services, programs and activities for the citizens of Aurora are supported by this fund, as well as the City Council and the internal administrative management functions. Other uses include transfers out to other funds, such as the transfer to the Capital Projects Fund.

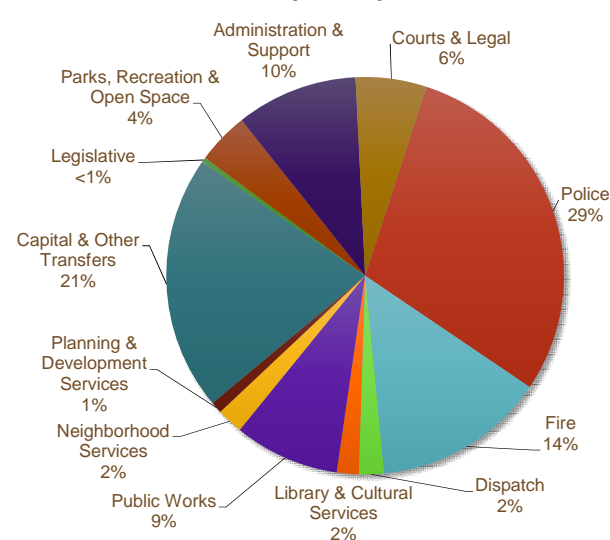
Public safety functions, including Fire, Dispatch, Police, and Court Administration account for 51.0 percent of total General Fund appropriations in 2016.

The 2016 Adopted Budget includes the planned use of \$8.7 million in funds available primarily associated with the one-time expenditures for road improvements. An additional \$2.6 million use of funds available was added in the 2016 Spring Supplemental, the majority of which can be attributed to Police security enhancements at district stations and the re-appropriation of funds for surveillance equipment upgrades in the Detention Center and the Tax and Licensing system replacement.

2016 General Fund Revenue  
(Sources)



2016 General Fund Appropriations  
(Uses)



## General Fund Departments

- |                            |                               |   |                                       |
|----------------------------|-------------------------------|---|---------------------------------------|
| • City Attorney            | • General Management          | • Non-Departmental (snow removal, transfers, contingencies) | • Police                              |
| • Mayor & City Council     | • Information Technology      | • Parks, Recreation & Open Space                            | • Public Defender                     |
| • Civil Service Commission | • Internal Services           | • Planning & Development Services                           | • Public Safety Communications Center |
| • Court Administration     | • Judicial                    |   | • Public Works                        |
| • Finance                  | • Library & Cultural Services |   |                                       |
|                            | • Neighborhood Services       |   |                                       |

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# Glossary

**Accrual Basis:** Transactions are recorded as they occur, regardless of the timing of related cash flows.

**Actuals:** Transactions recorded in the accounting system on a cash basis. Certain revenue sources are recorded on the accrual basis instead of the cash basis. Accrual basis revenue sources will show zero collections for January, and in some cases February, and two or three months of receipts recorded in December.

**Cash Basis:** Transactions are recorded in accordance with cash flow regardless of economic transaction timing.

**Encumbrances:** The legal commitment of appropriated funds to purchase an item or service in the future.

**Variance:** Used to describe the difference or resulting percentage change in comparative data. Bracketed variances indicate an unfavorable result.

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## Column Descriptions

**Sources of Funds:** All revenue received from external/internal sources and interfund transfers into the fund.

**Uses of Funds:** All departmental expenditures incurred and interfund transfers out of the fund.

**2016 Budget:** The 2016 Adopted Budget plus approved supplemental amendments and obligated (encumbered) funds carried forward from 2015.

**YTD Actual thru the Current Month:** The year-to-date actual sources and uses of funds.

**Year-to-Date / Current Month Variance:**

- Over/(Under)
  - Current year sources under the prior year or budgeted sources are unfavorable, indicated by brackets; current year uses over the prior year or budgeted uses are unfavorable, indicated by brackets
- 2015 - The \$ difference between 2016 year-to-date / current month actuals compared to the 2015 actuals for the same timeframe
- Budget - The \$ difference between the 2016 year-to-date actuals through the current month compared to the 2016 year-to-date projected budget (see note below) for the same timeframe
- Percent Chg vs 2015 - The percentage change between 2016 year-to-date actuals through the current month and the 2015 actuals through the same month
- Chg vs Budget - The percentage change between the 2016 year-to-date actuals and the year-to-date projected budget (see note below)

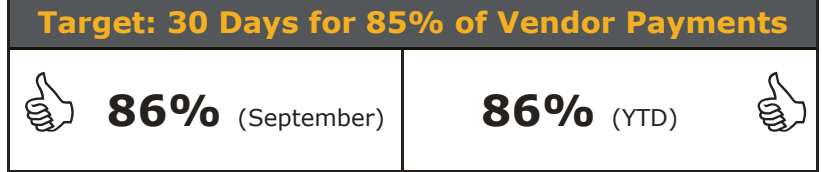
Note: For comparison purposes, the 2016 Budget has been projected monthly, or calendarized. Various methods were used in the process including: historical seasonality, known payment schedules, payroll and benefit calendars, and the straight line basis (1/12th per month).



# Finance Dept Indicators (for MONTH ending 09/30/16)

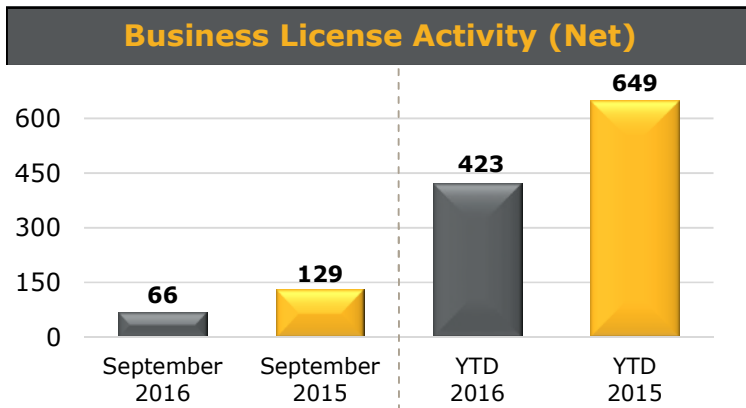
## Accounts Payable

By making payments within the standard 30 days or less timeframe, the City can capture vendor discount terms, avoid penalties and interest charges and save taxpayer money. The majority of invoices have terms that range from 30 to 90 days.



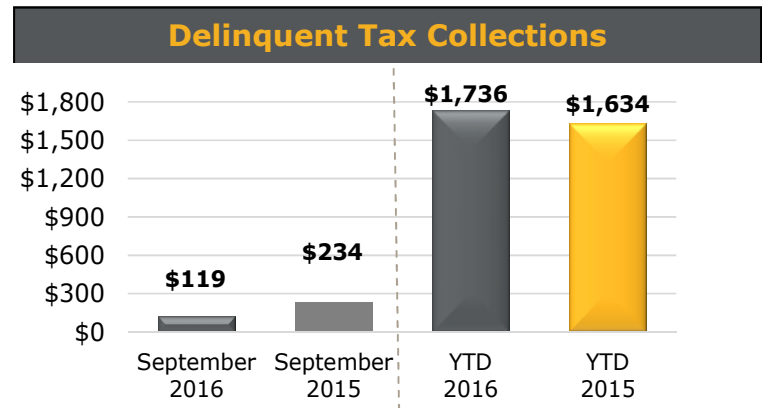
## Business Licensing

Net new licenses are lower across all sectors in the third quarter 2016 compared to third quarter 2015. There is still positive growth in all sectors with the exception of retail trade which was nearly stagnant and only had a net growth of two licenses.



## Delinquent Tax Collections

Tax collections remain above average pace for the third quarter. Some of the collections are attributable to a large balance owed on a single account. September 2016 collections dipped as a result of staff turnover.



## Investments

Portfolio duration has increased steadily since 2015 through the reinvestment of matured and/or called funds longer out on the curve.

The portfolio balance has increased in both held positions and cash balances primarily due to growth in sales and use tax revenue as well as increased Water revenue due to drier weather.

September	2016	2015	2014
Cash & investment portfolio	\$394.7 M	\$354.1 M	\$332.3 M
Weighted avg. yield	1.17%	1.10%	1.14%
Duration (months)	19.9	15.6	25.3

## Financing Transactions Over Previous 12 Months

Pending future transactions include financing of a Tax and Licensing System (\$1.3 million), District 2 Police - Phase 2 (\$11.3 million), three new Fire Stations (\$24.0 million), Aurora Wastewater refinancing (\$28.5 million), Golf refinancing (\$4.0 million) and a new Recreation Center (\$30 million).

Purpose	Amount	Closed	Rate	Term (yrs.)	Lender/ Banker
District 2 Police	\$3.79 M	12/15	2.13%	10	JPMC
AW Refinancing	\$437.0 M	8/16	3.12%	30	Morgan Stanley
MLK/Moorehead	\$8.6 M	8/16	1.25%	6.5	Key
2016 Fleet	\$2.0 M	9/16	1.46%	7.5	Key



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# City of Aurora

## Office of Budget and Financial Planning

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